

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

CHURCH OF THE GARDENS et al.,

Plaintiff,

v.

QUALITY LOAN SERVICES

CORPORATION et al.,

Defendant.

Case No. 3:23-cv-06193-TMC

ORDER DENYING PLAINTIFFS'  
MOTION FOR SUMMARY JUDGMENT  
AGAINST TRUSTEE CORPS

**I. INTRODUCTION**

This case arises from Plaintiffs Church of the Gardens and Alvin White's challenge to the past and potential future nonjudicial sale of five fourplexes purchased by Alvin White on February 24, 2006. Dkt. 8 at 2. Plaintiffs raise contractual, statutory, and state and federal constitutional challenges to the Deed of Trust Act, which governs the nonjudicial sale of property in Washington state. Before the Court is Plaintiffs' motion for summary judgment against Defendant MTC Financial Inc. (doing business as "Trustee Corps"). Dkt. 63. Because Trustee Corps has been granted nonmonetary status and is no longer participating in the proceedings, the Court DENIES the motion as moot.

## II. BACKGROUND

On April 17, 2025, Plaintiffs moved for summary judgment against Trustee Corps. Dkt. 63. In their motion, Plaintiffs sought declaratory relief “as to the meaning of the Deeds of Trust Act; including . . . the meaning of RCW 61.24.130.” *Id.* at 2. Specifically, Plaintiffs requested that the Court issue a judgment stating that Trustee Corps “does not have legal or governmental authority as a non-judicial or quasi-judicial trustee to sell White’s real properties known as Lots 7, 10, and 12” outside of a judicial foreclosure proceeding. *Id.* at 2. Defendant Deutsche Bank subsequently filed a motion for summary judgment on Plaintiffs’ claims, which Defendant Quality Loan Services Corporation of Washington (“QLS”) later joined. Dkt. 67.

While the summary judgment motions were pending, the Court granted Trustee Corps’ motion to determine validity of notice of nonmonetary status on May 16, 2025. Dkt. 74. In its order, the Court determined that Trustee Corps had satisfied the requirements of the nonmonetary status statute, RCW 61.24.180, which allows a nominal trustee to remove itself from litigation until the underlying dispute is resolved. Dkt. 74 at 4–8. Thus, Trustee Corps was excused from participating in the proceedings but remained “bound by whatever order or judgment is issued” by the Court. *See* RCW 61.24.180(2)(c).

## III. LEGAL STANDARD

“It is an inexorable command of the United States Constitution that the federal courts confine themselves to deciding actual cases and controversies.” *Gator.com Corp. v. L.L. Bean, Inc.*, 398 F.3d 1125, 1128 (9th Cir. 2005) (citing U.S. Const. art. III, § 2, cl. 1). “Article III requires that a live controversy persist throughout all stages of the litigation” and the “limitations that Article III imposes upon federal court jurisdiction are not relaxed in the declaratory judgment context.” *Id.* at 1128–29 (citations omitted). Since mootness is a jurisdictional issue, federal courts are obligated to raise it *sua sponte*. *Id.* at 1129 (emphasis in original).

1 “Federal courts lack jurisdiction if an event occurs during the pendency of the appeal that  
 2 renders the case moot.” *S. California Painters & Allied Trades, Dist. Council No. 36 v. Rodin &*  
 3 *Co.*, 558 F.3d 1028, 1035 (9th Cir. 2009) (citation modified). The “test for mootness in the  
 4 context of a case . . . in which a plaintiff seeks declaratory relief . . . is whether the facts alleged,  
 5 under all the circumstances, show that there is a substantial controversy, between parties having  
 6 adverse legal interests, of sufficient immediacy and reality to warrant the issuance of a  
 7 declaratory judgment.” *Gator.com Corp.*, 398 F.3d at 1129 (citation modified). In other words,  
 8 “the central question . . . is whether changes in the circumstances that prevailed at the beginning  
 9 of litigation have forestalled any occasion for meaningful relief.” *Id.* (citation modified).

#### 10 IV. DISCUSSION

11 Plaintiffs’ motion for summary judgment against Trustee Corps is moot because Trustee  
 12 Corps is not an active litigant in these proceedings. *See generally* Dkt. 74. Having been granted  
 13 nonmonetary status, Trustee Corps is no longer defending itself against Plaintiffs’ action. *See id.*  
 14 at 7. While Trustee Corps must comply with the Court’s ruling on the enforceability of the  
 15 promissory notes at issue, it does not have “adverse legal interests, of sufficient immediacy and  
 16 reality to warrant the issuance of a declaratory judgment.” *See Gator.com Corp.*, 398 F.3d at  
 17 1129. Thus, there is no substantial controversy between Plaintiff and Trustee Corps, which is  
 18 required at all stages of litigation. *See Biodiversity Legal Found. v. Badgley*, 309 F.3d 1166,  
 19 1173 (9th Cir. 2002) (“When a controversy no longer exists, the case is moot.”).

20 Additionally, the Court cannot grant “meaningful relief” to Plaintiffs through their  
 21 summary judgment motion. *See id.* Plaintiffs seek a declaration regarding the scope of Trustee  
 22 Corps’ authority to conduct nonjudicial sales of property under the Deed of Trust Act. Dkt. 63 at  
 23 2. But as explained above, Trustee Corps’ status as a nominal defendant means that it no longer  
 24 has adverse interests that threaten actual harm to Plaintiffs. This is evidenced by the fact that

1 Trustee Corps has agreed to be bound by the Court’s ruling on the promissory notes. *See* Dkt. 74  
2 at 7; *Alvarez v. Smith*, 558 U.S. 87, 93 (2009) (“[A] dispute solely about the meaning of a law,  
3 abstracted from any concrete actual or threatened harm, falls outside the scope of the  
4 constitutional words ‘Cases’ and ‘Controversies.’”) (citing cases). Since there is no live dispute  
5 between Plaintiffs and Trustee Corps, providing the requested declaratory relief would constitute  
6 an impermissible advisory opinion. *S. California Painters & Allied Trades, Dist. Council No. 36*,  
7 558 F.3d at 1035.

8 Finally, the Ninth Circuit has recognized exceptions to mootness, which include:  
9 “(1) collateral legal consequences, (2) wrongs capable of repetition yet evading review, and (3)  
10 voluntary cessation.” *Ctr. For Biological Diversity v. Lohn*, 511 F.3d 960, 964 (9th Cir. 2007)  
11 (citation modified). The first exception applies where a party “would suffer collateral legal  
12 consequences if the actions being appealed were allowed to stand.” *Id.* (citing *Pub. Utilities*  
13 *Comm’n of State of Cal. v. FERC*, 100 F.3d 1451, 1460 (9th Cir. 1996)). The second exception  
14 applies only when there is a “reasonable expectation that the same complaining party will be  
15 subject to the same injury again” and “the injury suffered must be of a type inherently limited in  
16 duration such that it is likely always to become moot before federal court litigation is  
17 completed.” *Id.* at 965 (citation omitted). Lastly, “[i]t is well settled that a defendant’s voluntary  
18 cessation of a challenged practice does not deprive a federal court of its power to determine the  
19 legality of the practice.” *Id.* (citation omitted).


20 None of the exceptions apply here because all of Plaintiffs’ claims will be addressed  
21 through the summary judgment motions between Plaintiffs and Defendants Deutsche Bank and  
22 QLS. *See* Dkt. 67; Dkt. 76. Since all the claims will be resolved by these dispositive motions,  
23 there are no collateral legal consequences that will result from denying Plaintiffs’ summary  
24 judgment motion against Trustee Corps as moot. *See Lohn*, 511 F.3d at 964. And once Plaintiffs’

1 claims are adjudicated, there is no reasonable expectation that they will suffer from the same  
2 injuries alleged in their complaint. *See id.* at 965. Lastly, no Defendant has suggested that it will  
3 voluntarily cease foreclosing on Plaintiffs' properties unless the Court orders otherwise. *See id.*

#### 4 V. CONCLUSION

5 Plaintiffs' summary judgment motion against Trustee Corps has been mooted by Trustee  
6 Corps' change in status to a nonmonetary party. Since Trustee Corps no longer has an adverse  
7 interest against Plaintiffs that gives rise to a substantial controversy, the Court lacks jurisdiction  
8 over Plaintiffs' claims for relief against Trustee Corps. Accordingly, Plaintiffs' summary  
9 judgment motion (Dkt. 63) is DENIED as moot.

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11 Dated this 24th day of June, 2025.

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13 Tiffany M. Cartwright  
14 United States District Judge  
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